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24 FEB 1975

MEMORANDUM FOR: Deputy Director for Administration

FROM : Director of Logistics

SUBJECT : Rental Rates for Residences [REDACTED]

25X1A

REFERENCE : Office of Management and Budget Circular No. A-45  
Revised 30 October 1974

1. Action Requested: This memorandum requests that you approve an increase in the rental rates for Government-furnished quarters at the [REDACTED]

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2. Basic Data or Background: Office of Management and Budget (OMB) Circular No. A-45, dated 31 October 1964, which prescribes policies governing the establishment of charges for rental quarters, has been revised.

a. Frequency of Adjustment. Charges for rental quarters shall be adjusted periodically in accordance with the following:

(1) Periodic (cycle year) adjustments based on survey of the private rental market. Basic rental rates established for rental quarters shall be affirmed or adjusted by survey of the private rental market, as follows:

(a) Every fifth year, or when the basic rental rate for the quarters has been increased by 30 percent through application of the rent series of the U.S. city average Consumer Price Index (CPI) or national average CPI, whichever occurs first, provided that valid and realistic comparability has been established with private rental rates, or

(b) Every third year if for any reason valid and realistic comparability with private rental rates has not been established, or

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SUBJECT: Rental Rates for Residences [REDACTED]

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(c) Any year when changes in the private rental market in the nearby established community indicate a need to adjust basic rental rates on the basis of a survey of the rental market.

(2) Annual (interim year) adjustments based on changes in the CPI. Annual adjustments in the basic rental rate, to be effective on 1 February of each year or at the beginning of the first pay period which starts on or after 1 February each year, shall be made applying the percent change in the CPI from the month in which the previous adjustment was based.

b. Notice of the revision to OMB Circular A-45 did not reach this office in time to adjust the rental rates on 1 February 1975, as noted in subparagraph 2a(2) above. The new rate will be effective on 1 March 1975. The last survey of rental changes [REDACTED] was in September 1972. Since that date, the average Consumer Price Index Rental Series shows that the CPI has increased 9.6 percent.

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3. Staff Position: The Office of Logistics feels that the Agency should comply with OMB Circular No. A-45 and, specifically, that this circular applies to the rental rates of residences [REDACTED]. It should be noted that, in implementing OMB Circular A-45 as noted in subparagraph 2a(1) above, a survey of the private rental market will be made in the near future.

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4. Recommendation: It is, therefore, recommended that the rental charge for all quarters [REDACTED] be increased 9.6 percent, effective 1 April 1975.

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[REDACTED] 25X1A

Michael J. Malanick  
Director of Logistics

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Att: New Rental Rates

APPROVED: [REDACTED]

DISAPPROVED: \_\_\_\_\_

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Distribution:

Orig. - [REDACTED] via DDA)  
2 - DDA *Aug.*  
1 - OL Official (RECD)

SUBJECT: Rental Rates (1975), [REDACTED]

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RENTAL RATES

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Property Number	1969-72 Rent	1975 Rent	**Adjustment	*Utilities	Occupant Pays
[REDACTED]	\$ 57.00	\$ 62.47	\$ 25.00	\$ 33.00	\$ 95.47
[REDACTED]	148.33	162.56	35.00	53.00	215.56
[REDACTED]	112.92	123.76	25.00	35.00	158.76
[REDACTED]	92.42	101.29	25.00	36.00	137.29
[REDACTED]	29.00	31.78	25.00	22.00	53.78
[REDACTED]	151.58	166.13	35.00	40.00	206.13

\*Includes water, sewerage, gas, and electricity. This figure has remained constant.

\*\*Adjustments predicated upon isolation, inconvenience to educational, social, shopping, and religious activities; also, official demands upon space and privacy. This figure has remained constant. Actual appraised rent equals the rent plus the utilities and adjustments. Actual money paid equals rent plus utilities.

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<b>TO</b>	<b>NAME AND ADDRESS</b>	<b>DATE</b>	<b>INITIALS</b>
1	Mr. Blake		
2			
3			
4			
5			
6			
<b>ACTION</b>	<b>DIRECT REPLY</b>	<b>PREPARE REPLY</b>	
<b>APPROVAL</b>	<b>DISPATCH</b>	<b>RECOMMENDATION</b>	
<b>COMMENT</b>	<b>FILE</b>	<b>RETURN</b>	
<b>CONCURRENCE</b>	<b>INFORMATION</b>	<b>SIGNATURE</b>	
<b>Remarks:</b>			
<p>Two separate memoranda attached. In general these are modest increases and I don't think the 9.2 percent will shock the [REDACTED] residents. I do feel, however, that implementation on <u>1 March 1975</u> will cause unnecessary bad feelings, and I would suggest the new rental charges be made effective <u>1 April 1975</u>.</p> <p style="text-align: right;">LJD</p> <p>Atts: DD/A 75-0921/0922</p>			
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1	DD/A 7 D 26 Headquarters Bldg.		
2	Mr. [REDACTED]	2/25/75	D
3	W Blake		
4			
5			
6			
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks:  Re paragraph 3 of the attached memorandums, RECD will conduct the rental comparability study this spring. The last study was conducted in 1972.			
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